

Program D: Charitable Gaming

Program Authorization: Title 26 of the Louisiana Revised Statutes; Act 1188 of 1995; Act 568 of 1999

PROGRAM DESCRIPTION

The Office of Charitable Gaming has responsibility for overseeing the charitable gaming activities within the State of Louisiana. The mission of the Office of Charitable Gaming is to administer efficiently the state's tax and regulatory statutes in a manner that will generate the highest degree of public confidence in the department's integrity and fairness. To assist the department in its efforts to ensure all organizations conducting gaming sessions fully and accurately document all results. Goals of the Office of Charitable Gaming are:

1. To decrease the potential for fraud in the charitable games of chance.
2. To ensure that the net proceeds are contributed to bona fide charitable causes.
3. To prevent the infiltration of elements of organized crime or professional gambling into charitable gaming.

Several acts were passed during the 1999 Regular Legislative Session that expanded the functions and responsibilities of the Office of Charitable Gaming.

Act 568 of the 1999 Regular Session of the Louisiana Legislature, effective June 30, 1999, created the Office Charitable Gaming within the Department of Revenue and transferred the regulatory and statutory authority from the Office of State Police in the Department of Public Safety and Corrections. Act 568 also enacted Chapter 11 of Title 4 of the Louisiana Revised Statutes, all relative to the conducting and regulation of charitable gaming. This transfer was to be completed January 1, 2000.

The Office of Charitable Gaming includes the Administrative Section, the Licensing Section, and the Audit Section. The Administrative Section is responsible for administering and enforcing the laws and regulations associated with the activities of charitable gaming. The Licensing Section is responsible for the review of applications requesting a license to conduct charitable gaming activities and for the issuance of the license. Approximately 1,100 licenses are issued each year. The Audit Section is responsible for the on-site inspection of gaming activities, training of organizations, review of required books and records maintained by organizations, and enforcement of gaming laws and regulations. It is estimated that 185 inspections, 65 audits and 36 training sessions will be conducted.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2001-2002. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

1.(KEY) To conduct 190 inspections and 68 audits.

Strategic Link: This operational objective is not linked to the Department of Revenue's current strategic plan. The Department will complete revisions to its strategic plan in the beginning of FY 2001-2002.

Louisiana: Vision 2020 Link: Not applicable

Children's Cabinet Link: Not applicable

Other Link(s): Not applicable

Explanatory Note: Act 568 of the 1999 Regular Legislative Session transferred the Charitable Gaming Enforcement activity from the Office of State Police to the Department of Revenue (Office of Charitable Gaming), effective January 2000. Since the transfer of the charitable gaming enforcement activity to the Office of Charitable Gaming, the primary focus is now maintaining the number of audits and increased activity in the area of education. The Office of State Police concentrated its efforts in the investigations and inspections area.

L E V E L	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1999-2000	ACTUAL YEAREND PERFORMANCE FY 1999-2000	ACT 11 PERFORMANCE STANDARD FY 2000-2001	EXISTING PERFORMANCE STANDARD FY 2000-2001	AT CONTINUATION BUDGET LEVEL FY 2001-2002	AT RECOMMENDED BUDGET LEVEL FY 2001-2002
K	Number of inspections conducted	480	34 ¹	275	275	185	190
K	Number of audits conducted	55	10 ¹	65	65	65	68
K	Number of investigations conducted	150	32 ¹	75	75	75	75
S	Number of licensees	1,100	1,273	1,100	1,100	1,100	1,050
S	Number of training sessions provided ²	Not applicable ²	23	Not applicable ²	30 ²	36	40

¹ The Charitable Gaming Program was involved in a major transition and rebuilding of its staff due to the transfer from the Office of State Police to the Department of Revenue.

² This is a new indicator needed to measure the Office of Charitable Gaming's Performance in training organizations on the gaming laws, regulation requirements, on conducting gaming sessions, proper recordkeeping and the use of the uniform model accounting system. This indicator did not appear under Act 10 of 1999 or Act 11 of 2000 and does not have a FY 1999-2000 or FY 2000-2001 performance standard. The value shown for existing performance standard is an estimate not a standard.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1999 - 2000	ACT 11 2000 - 2001	EXISTING 2000 - 2001	CONTINUATION 2001 - 2002	RECOMMENDED 2001 - 2002	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$92,779	\$0	\$0	\$53,904	\$47,931	\$47,931
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	842,521	1,985,768	2,066,318	1,100,869	1,079,987	(986,331)
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	\$935,300	\$1,985,768	\$2,066,318	\$1,154,773	\$1,127,918	(\$938,400)
EXPENDITURES & REQUEST:						
Salaries	\$510,726	\$483,725	\$477,725	\$499,788	\$717,787	\$240,062
Other Compensation	6,680	0	6,000	6,000	6,000	0
Related Benefits	65,589	70,031	70,031	72,899	101,239	31,208
Total Operating Expenses	136,998	348,636	737,410	430,759	184,724	(552,686)
Professional Services	101,107	122,327	122,327	50,000	50,000	(72,327)
Total Other Charges	0	961,049	652,825	72,327	45,168	(607,657)
Total Acq. & Major Repairs	114,200	0	0	23,000	23,000	23,000
TOTAL EXPENDITURES AND REQUEST	\$935,300	\$1,985,768	\$2,066,318	\$1,154,773	\$1,127,918	(\$938,400)
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	23	20	20	20	20	0
Unclassified	0	0	0	0	0	0
TOTAL	23	20	20	20	20	0

SOURCE OF FUNDING

This program is funded with State General Fund Direct and Fees and Self-generated Revenues. The Fees and Self-Generated Revenues are generated through fees assessed the industry through the required purchase of various licenses, permits, and fines for violations, etc.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$1,985,768	20	ACT 11 FISCAL YEAR 2000-2001
			BA-7 TRANSACTIONS:
\$0	\$80,550	0	Carry forward BA-7 for the Unisys Installation Services project for contracts that were not completed prior to July 1, 2000
\$0	\$2,066,318	20	EXISTING OPERATING BUDGET – December 15, 2000
\$13,986	\$13,986	0	Annualization of FY 2000-2001 Classified State Employees Merit Increase
\$10,945	\$10,945	0	Classified State Employees Merit Increases for FY 2001-2002
\$23,000	\$23,000	0	Acquisitions & Major Repairs
\$0	(\$80,550)	0	Non-Recurring Carry Forwards
\$0	\$262,892	0	Salary Base Adjustment
\$0	(\$16,553)	0	Attrition Adjustment
\$0	(\$240,062)	0	Salary Funding from Other Line Items
\$0	(\$75,000)	0	Reduce expenditures to actual spending
\$0	(\$809,899)	0	Reduction in contacts for the Data Processing Redesign Project
\$0	(\$27,159)	0	Reduce Division Administrative Law
\$47,931	\$1,127,918	20	GRAND TOTAL RECOMMENDED

PROFESSIONAL SERVICES

\$49,000	Legal services provided by the Division of Administration for tax appeal cases
\$1,000	Provides for professional services for other contracted services
\$50,000	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

Interagency Transfers:	
\$45,168	Department of Justice for legal services
\$45,168	TOTAL INTERAGENCY TRANSFERS

ACQUISITIONS AND MAJOR REPAIRS

\$23,000 1 Replacement Vehicle

\$23,000 TOTAL ACQUISITIONS AND MAJOR REPAIRS